

PROSPECTUS - SUMMARY



INITIAL PUBLIC OFFERING THROUGH THE SALE OF SHARES FIXED-PRICE OFFER

Price per share	720 MAD
Par value	10 MAD
Number of shares for sale	250 000 shares
Total maximum amount of the offer	180 000 000 MAD
Subscription period	From the 30 th of November to 2 nd of December 2015 included
Possibility of early closure	The 1 st of December 2015 for orders type II and III

This offer is not intended for monetary, bond and contractual UCITS

GLOBAL ADVISOR AND COORDINATOR



CO-LEAD MANAGERS OF THE UNDERWRITING SYNDICATE

Sogécapital Bourse



Members of the underwriting syndicate



APPROVAL OF THE CONSEIL DEONTOLOGIQUE DES VALEURS MOBILIERES (Financial Authority)

Pursuant to the CDVM circular, taken pursuant to Article 14 of Dahir No. 1-93-212 of 21 September 1993 concerning the Conseil Déontologique des Valeurs Mobilières (CDVM) and the information required from corporate entities making a public offering, as amended and supplemented, the original version of the prospectus was approved by the CDVM on November 16th 2015 under the reference VI/EM/031/2015.

DISCLAIMER

The Conseil Déontologique des Valeurs Mobilières (CDVM) approved on November 16th 2015 a prospectus for an Initial Public Offering through the sale of shares of the company AFMA.

The prospectus approved by the CDVM is available at any time at the head office of AFMA and the head office of Société Générale Marocaine de Banques. It is also available within a maximum of 48 hours at the offices of the institutions responsible for collecting subscription orders.

The prospectus is made available to the public on the Casablanca Stock Exchange head office and on its website www.casablanca-bourse.com. It is also available on the CDVM website www.cdvm.gov.ma.

PART 1: PRESENTATION OF THE OPERATION

I. CHARACTERISTICS OF THE OPERATION

The main terms of the Operation, as specified in the Prospectus, are as follows:

- price per share : 720 MAD ;
- number of shares for sale : 250,000 shares ;
- par value of the shares to be sold : 10 MAD ;
- total amount of the Operation : 180,000,000 MAD ;
- discount - Order type I : 15% in comparison with the determined price ;
- discount - Order type II : 15% in comparison with the determined price on the first 10 shares;
- subscription period : from the 30th of November to 2nd of December 2015 included ;
- Possibility of early closure : the 1st of December 2015 at 3:30 PM for order type II and III

The Initial Public Offering of AFMA will be limited to the amount of the subscriptions received, within the framework of the terms and conditions of admission to the 2nd compartment of the Casablanca Stock Exchange.

II. OBJECTIVES OF THE TRANSACTION

Below are the objectives pursued by this Initial Public Offering:

- To give the financial resources to Ténor Group to reinvest in the development of other activities of the Group ;
- To reinforce the reputation of AFMA among the institutional investors, the public and the partners ;
- To have a direct access to financial markets to support AFMA's future strategic objectives over the mid and long term ;
- To retain the employees through the dedication of a specific tranche to them in the Operation ;
- To reinforce the transparency and performance policy of AFMA.

III. SALE TRANSACTION TO TWO INSTITUTIONAL INVESTORS

The Board of Directors of Ténor Finances has approved on 03/10/2015 the sale of a participation in the capital of AFMA to institutional investors, namely CIMR and Fipar Holding. This sale will be made on the 'block' market (the « **Block Sale** ») after the completion of the IPO.

To this end, the Board of Directors decided to confer all powers to Farid Bensaïd, Chief Executive Officer, with the option to sub-delegate, in order to define the terms of the Block Sale.

Under the delegation authority conferred to him by the Board of Directors on 03/10/2015, who authorized the sale of AFMA shares to institutional investors - CIMR and Fipar Holding -, Farid Bensaïd has approved on 03/11/2015 the terms of this transaction. The total sale price of the 200,000 shares held by Ténor Finances representing 20% of the capital of AFMA amounts to 130,000,000 MAD, as detailed below:

- 65,000,000 MAD for the sale of 100,000 shares to CIMR ;
- 65,000,000 MAD for the sale of 100,000 shares to Fipar Holding.

This transaction (the «**Transaction**») will be completed, after the 1st listing of AFMA securities, on the block market of the Casablanca Stock Exchange, in accordance with the applicable legislation.

The Transaction aims at institutionalizing the shareholding structure of AFMA, by opening its capital to a hard core of institutional investors, who showed an interest in the company. Indeed, an important part of the capital (20%) will be sold to these institutional investors in the context of this Transaction in order to involve them strongly into AFMA's strategy and development.

IV. THE SHAREHOLDERS AND THE MANAGEMENT INTENTIONS

In accordance with the terms of the shareholder agreement signed on 05/11/2015:

- Ténor Group will keep an amount of AFMA securities representing 50% plus one share, and shall remain strongly involved in the company's management and business development.
- The institutional investors, which are CIMR and Fipar Holding, undertake to retain all the shares within AFMA which they will hold in the frame of this Transaction, representing for every investor, 10% of the capital and the voting rights of AFMA.
- The commitments of Ténor Group, CIMR and Fipar Holding to retain AFMA shares will remain applicable for a three year period starting from the date of the Transaction, in December 2015.

Furthermore, the management of AFMA Group might potentially subscribe to this Operation in the context of the tranche dedicated to the company's employees (order type I) and/or in the context of the retail tranche (order type II).

V. SHAREHOLDING STRUCTURE BEFORE AND AFTER THE TRANSACTION

The shareholding structure of AFMA shall evolve as outlined below:

Name or corporate name of the shareholders	Before IPO		After IPO and before Transaction		After IPO and after Transaction	
	Number of shares at a par value of 100 MAD	% of capital and voting rights	Number of shares at a par value of 10 MAD	% of capital and voting rights	Number of shares at a par value of 10 MAD	% of capital and voting rights
FARID BENSÂÏD	35	0,04%	350	0,04%	350	0,04%
GROUPE TÉNOR	99 965	99,97%	749 650	74,97%	549 650	54,97%
TÉNOR FINANCES	67 937	67,94%	633 360	63,34%	433 360	43,34%
TÉNOR GROUP	10 027	10,03%	55 270	5,53%	55 270	5,53%
CAPITAL UNION	2 000	2,00%	11 000	1,10%	11 000	1,10%
TÉNOR MANAGEMENT	1	0,001%	10	0,001%	10	0,001%
TÉNOR INTERNATIONAL	20 000	20,00%	50 010	5,00%	50 010	5,00%
INSTITUTIONAL INVESTORS					200 000	20,00%
CIMR					100 000	10,00%
FIPAR-HOLDING					100 000	10,00%
FLOATING STOCK			250 000	25,00%	250 000	25,00%
EMPLOYEES PART			8 087	0,81%	8 087	0,81%
Total	100 000	100,00%	1 000 000¹	100,00%	1 000 000	100,00%

Source : AFMA

VI. STRUCTURE OF THE OFFER

1. TOTAL AMOUNT OF THE OPÉRATION

The global amount of the Operation is 180,000,000 MAD, through a sale of 250,000 shares at a price of 720 MAD per share and on the basis of a par value per share of 10 MAD.

2. LISTING LOCATION

The shares of AFMA will be listed on the 2nd compartment of the Casablanca Stock Exchange.

¹ Reduction of the nominal value of each share composing the capital of AFMA from 100 MAD to 10 MAD concomitantly to the listing of AFMA shares in the Casablanca Stock Exchange

3. MAIN ELEMENTS OF THE OFFER

Order Type	I	II	III
Subscribers	<ul style="list-style-type: none"> ▪ Employees of AFMA SA and its controlled subsidiaries with a permanent employment contract and regardless of seniority 	<ul style="list-style-type: none"> ▪ Resident or non-individuals persons of Moroccan or foreign nationality ▪ Legal entities of Moroccan or foreign law, that do not belong to the category of investors authorized to subscribe to order type III and with at least one year of existence as of 1st June 2015 	<ul style="list-style-type: none"> ▪ Qualified investors of Moroccan law, as defined by article III.1.21 of the CDVM circular, among which : <ul style="list-style-type: none"> ○ Stock and diversified UCITS ; ○ Insurance and reinsurance companies; ○ Pension and retirement funds ; ○ CDG ; ○ Banks. ▪ Foreign authorized institutional investors
Number of securities	<ul style="list-style-type: none"> ▪ 8 087 shares 	<ul style="list-style-type: none"> ▪ 62 500 shares 	<ul style="list-style-type: none"> ▪ 179 413 shares
Amount of the offer	<ul style="list-style-type: none"> ▪ 5 822 640 MAD without the discount relating to order type I 	<ul style="list-style-type: none"> ▪ 45 000 000 MAD without the discount relating to order type II 	<ul style="list-style-type: none"> ▪ 129 177 360 MAD
% of number of shares to be sold	3,2%	25%	71,8%
Discount in comparison with the price of the initial public offering	15% discount in comparison with the price of the initial public offering, ie price of 612 MAD per share	15% discount in comparison with the price of the initial public offering (ie price of 612 MAD per share) in the limit of 10 shares related to the first allocation	-
Minimum of subscriptions	-	-	-

Ceiling of subscriptions	-	<ul style="list-style-type: none"> ▪ 12 500 shares, i.e. 9 000 000 MAD 	<ul style="list-style-type: none"> ▪ For stock UCITS, the subscription is limited to the smallest of the following two thresholds : 10% of the operation amount, that is 25,000 securities (18 000 000 MAD) OR 20% of the UCITS net assets as at 13/11/2015. ▪ For diversified UCITS, the subscription is limited to the smallest of the following two thresholds : 5% of the operation amount, that is 12,500 securities (9 000 000 MAD) OR 10% of the UCITS net assets as at 13/11/2015. ▪ For the other investors of order type III : 10% of the operation amount, that is 25,000 securities (18 000 000 MAD)
Members of the underwriting syndicate	<ul style="list-style-type: none"> ▪ Société Générale Marocaine de Banques 	<ul style="list-style-type: none"> ▪ All the members of the underwriting syndicate 	<ul style="list-style-type: none"> ▪ Sogécapital Bourse ▪ CDG Capital Bourse ▪ Crédit du Maroc Capital
Subscriptions coverage	<ul style="list-style-type: none"> ▪ Subscriptions of employees by personal contribution must be covered at 100% by a real deposit (payment by cheque or in cash) on the subscriber's account ▪ Subscriptions of employees by bank loan will be covered by this loan 	<p>The subscriptions must be covered at 100% as follows :</p> <ul style="list-style-type: none"> ▪ By a real deposit (payment by cheque or in cash) on the subscriber's account and/or ; ▪ By a collateral in the form of securities in accordance with the following terms of use : <ul style="list-style-type: none"> ○ State bonds : taken at 100% maximum of the value at the date of subscription ; ○ Monetary UCITS : taken at 100% maximum of the value at the date of subscription ; ○ UCITS (excluding non-monetary UCITS), term-deposits, listed shares : taken at 80% maximum of the value at the date of subscription. ▪ The coverage of the cash and/or collateral subscription shall remain blocked until securities allocation 	<ul style="list-style-type: none"> ▪ For the authorize institutional investors of foreign law (i) with more than one year of existence as of 1st June 2015 or (ii) clients of an underwriting syndicate who already performed a transaction on the primary or secondary market of the Casablanca Stock Exchange: no coverage ; ▪ For the authorize institutional investors of foreign law (i) with less than one year of existence as of 1st June 2015 and (ii) who are not clients of an underwriting syndicate member who already performed a transaction on the primary or secondary market of the Casablanca Stock Exchange: coverage at 30% by real deposit (by cheque or in cash) or at 100% by a bank guarantee ; ▪ For all the other investors of order type III : no coverage

Allocation terms	<ul style="list-style-type: none"> By iteration 	<ul style="list-style-type: none"> 1st allocation : by iteration up to 10 shares by subscriber ; 2nd allocation : proportionally with the subscription requests higher than 10 shares 	<ul style="list-style-type: none"> Proportional to the requests
Rules of Transfer	<p>If the number of shares is lower than what is foreseen in I, the remainder is shifted to II, then to III</p>	<p>If the number of shares is lower than what is foreseen in II, the remainder is shifted to III, then to I</p>	<p>If the number of shares is lower than what is foreseen in III, the remainder is shifted to II, then to I</p>

4. STRUCTURE OF THE OFFER

The 3 order types constituting the offer are structured as outlined below:

- Order type I, dedicated to :
 - ✓ employees of AFMA and its controlled subsidiaries, with a permanent employment contract job, regardless of seniority.
- Order type II, dedicated to :
 - ✓ resident or non-resident individuals of Moroccan or foreign nationality ;
 - ✓ legal entities of Moroccan law or foreign law outside the category of investors authorized to subscribe to order type III, which have more than one year of existence as of 1st June, 2015.

The maximum number of shares that may be acquired by an investor is 12 500.

- Order type III, dedicated to :
 - ✓ qualified investors of Moroccan law², as defined in article III.1.21 of the CDVM circular, among which :
 - stock and diversified UCITS of Moroccan law (regulated by Dahir promulgating law n°1-93-213 of 4 Rabii II 1414 (21 September, 1993) ;
 - Insurance and reinsurance companies as regulated by law 17-99 from the Insurance Code ;
 - Pension and retirement funds ;
 - *Caisse de Dépôt et de Gestion* ;
 - Banks.
 - ✓ Foreign authorized institutional investors.

The maximum number of shares that may be acquired by an investor is outlined below :

- ✓ For stock UCITS, the subscription is limited to the smallest of the following two thresholds : 10% of the operation amount, that is 25,000 securities (18 000 000 MAD) OR 20% of the UCITS net assets as at 13/11/2015.
- ✓ For diversified UCITS, the subscription is limited to the smallest of the following two thresholds : 5% of the operation amount, that is 12,500 securities (9 000 000 MAD) OR 10% of the UCITS net assets as at 13/11/2015.
- ✓ For the other investors of order type III : 10% of the operation amount, that is 25,000 securities (18 000 000 MAD)

5. TRANSFER CLAUSE:

If the number of requested securities per order type remains below the associated tranche corresponding to the Operation, the Co-lead managers of the Underwriting Syndicate, in cooperation with the Global Advisor and Coordinator, AFMA and the Casablanca Stock Exchange shall allocate the difference to the other order types. The transfer modalities from one order type to another are outlined under the part XII relating to the terms of orders processing as detailed in the prospectus.

² Excluding monetary, debenture and contractual UCITS

VII. INFORMATION OF SECURITIES TO BE ISSUED

Nature of securities	The shares of AFMA are all of the same category.
Legal form of shares	The shares, purpose of this Operation are all 'bearer' shares. AFMA shares will be entirely dematerialized and written in the books at Maroclear.
Number of shares to be sold	250 000 shares
First listing procedure	Fixed price offer
Sale price	720 MAD
Par value at listing	10 MAD
Payment of shares	The shares offered will be entirely paid and free of any covenant.
Vesting date	1 st January 2015
Listing line	1 st line
Listing compartment	2 nd compartment
Securities negotiability	The shares are freely negotiable. No statutory clause restricts the free negotiability of the shares composing the capital of AFMA.
Rights carried with shares	All shares offer the similar rights both as far as the profits sharing and the liquidating dividend sharing. Every share carries the right to one vote during the shareholders meetings. Only, the shareholders holding 10 shares or more are authorized to attend Ordinary General Meetings. The shareholders holding at least 1 share may take part to Extraordinary General Meetings.
Securities animation	In compliance with the Casablanca Stock Exchange general regulations and Dahir of law n°1-93-211, an animation agreement of one year for AFMA shares has been signed between AFMA, Capital Union as securities and cash contributor and Sogécapital Bourse as Brokerage firm in charge of the animation agreement. This agreement covers 695 shares and a cash amount of 500 000 dirhams. Effective date of the animation agreement: Date of the Initial Public Offering of AFMA shares.

VIII. PRICE VALUATION ELEMENTS

The Board of Directors, after meeting on 08/08/2015, empowered Farid Bensaïd, the Chief Executive Officer of AFMA, to complete all required legal procedures and formalities necessary prior to the Initial Public Offering and to define the definitive terms of the IPO as well as the sale price.

To this end, the shares sale price, purpose of the Prospectus, has been determined by letter of the Chief Executive Officer from AFMA on 13/11/2015, at 720.00 MAD per share.

Three usual valuation methods were used for the valuation of AFMA in the context of this Operation:

- the discounted cash-flow method (DCF) ;
- the listed comparables method ;
- the comparable transactions method.

1. SUMMARY OF VALUATION METHODS

The table below outlines the summary of AFMA valuations:

Valuation method	Entreprise value (in MMAD)	Equity value (in MMAD)
DCF method	804,1	824,1
Moroccan listed comparables	736,3	756,3
International listed comparables	1 013,4	1 033,3
Comparable transactions	775,9	795,8

2. PRICE DETERMINATION

The privileged valuation method for the initial public offering of AFMA relies on the DCF method due to its consistency, justified by the visibility of the company on its activity and on its financial forecasts.

The price per share retained in the context of this Operation is of 720,0 MAD, which shows the following discounts based on the previously defined methods.

Valuation method	Equity value (in MMAD)	Discount
DCF method	824,1	-13%
Moroccan listed comparables	756,3	-5%
International listed comparables	1 033,3	-30%
Comparable transactions	795,8	-10%

3. FURTHER APPRECIATION ELEMENTS OF THE PRICE

Based on a price per share of 720.0 MAD, the implied price multiples are as follows:

Implied multiples	2014	2015e	2016P	2017P
EBITDA (MAD'000)	79 170	87 665	89 947	94 739
EV/EBITDA	8,8x	8,0x	7,8x	7,4x
Net income (MAD'000)	53 596	56 021	57 828	60 941
PE	13,4x	12,9x	12,5x	11,8x

IX. STOCK EXCHANGE LISTING

1. LISTING PLACE

The shares, subject of the present Operation, will be listed on the 2nd compartment of the Casablanca Stock Exchange.

2. FIRST LISTING PROCEDURE

The admission of the shares of AFMA will be performed based on a first listing procedure based on a Fixed Price Offer according to the General Regulations of the Stock Exchange.

3. INDICATIVE TIMETABLE OF THE OPERATION

Ordre	Steps	At the latest
1	Receipt of the complete file of the Operation by the Casablanca Stock Exchange	05/11/2015
2	Issuance of the notice of approval of the Operation by the Casablanca Stock Exchange	16/11/2015
3	Receipt by the Casablanca Stock Exchange of the Prospectus approved by the CDVM	16/11/2015
4	Publication of the notice relating to the Operation in the stock list	16/11/2015
5	Publication of the prospectus extract in a legal announcement newspaper	17/11/2015
6	Opening of the subscription period	30/11/2015
7	- Potential early closure for orders type II and III if applicable - Publication of the early closure notice by the Casablanca Stock Exchange	01/12/2015
8	Receipt by the Casablanca Stock Exchange of the subscriptions before 12:00, in the event of an early closure	02/12/2015
9	Normal closure of the subscription period	02/12/2015
10	Reception of the subscriptions by the Casablanca Stock Exchange before 12:00, in the case of a normal closure	03/12/2015
11	Centralization and consolidation of the subscriptions by the Casablanca Stock Exchange	04/12/2015
12	Processing of rejections	07/12/2015
13	Remittance of allocations of securities to members of the underwriting syndicate by Casablanca Stock Exchange before 12:00	08/12/2015
14	- First listing and registration of the Operation on the stock market - Announcement of the results of the Operation on the stock list	15/12/2015
15	Publication of the Operation results by the Company in a legal announcement newspaper	17/12/2015
16	Payment / Delivery	18/12/2015

4. CHARACTERISTICS OF AFMA SHARES LISTING

The admission of AFMA's shares to the negotiation on the development market will be made according the 'Fixed Price Offer' procedure, based on the following characteristics :

Long wording	AFMA
Short wording	AFMA
Compartment	2 nd compartment
Line of business/Industry	Insurance
1st listing procedure	Fixed Price Offer
Listing method	Continuous
Code	12200
Ticker	AFM
Minimum block size	57 000
Date of 1st listing	15/12/2015

X. UNDERWRITING SYNDICATE AND FINANCIAL INTERMEDIARIES

FINANCIAL INTERMEDIARY TYPE	NAME	ADDRESS	ORDER TYPE
Global advisor and coordinator	Société Générale Marocaine de Banques	55, Bd Abdelmoumen - Casablanca	
Co-lead managers of the Underwriting syndicate	Sogécapital Bourse	55, Bd Abdelmoumen - Casablanca	II, III
	CDG Capital Bourse	7, bd Kennedy, Anfa Sup - Casablanca	II, III
	Crédit du Maroc Capital	8, rue Ibnou Hilal - Casablanca	II, III
Members of the underwriting syndicate	Alma Finance	92, bd d'anfa - Casablanca	II
	Art Bourse	7, bd Abdelkrim Al Khatabi - Casablanca	II
	Atlas Capital Bourse	88, Rue Benbrahim El Marrakchi - Casablanca	II
	Attijari Intermédiation	163, avenue Hassan II - Casablanca	II
	Banque Centrale Populaire	101, bd Zerktouni - Casablanca	II
	BMCE Bank	140, avenue Hassan II - Casablanca	II
	BMCE Capital Bourse	140, Avenue Hassan II - Casablanca	II
	BMCI	26, place des Nations Unies - Casablanca	II
	Capital Trust Securities	50, bd Rachidi - Casablanca	II
	CFG Bank	5-7 rue Ibn Toufail, Quartier Palmier – Casablanca	II
	CFG Bank Capital Markets	5-7 rue Ibn Toufail, Quartier Palmier - Casablanca	II
	Crédit du Maroc	48, bd Mohammed V - Casablanca	II
	CIH Bank	187, avenue Hassan II - Casablanca	II
	Valoris Securities (Ex Eurobourse)	Avenue des FAR, Tour Habous, 5ème étage - Casablanca	II
	ICF Al Wassit	Espace Porte d'Anfa, 29 rue Bab El Mansour - Casablanca	II
	MENA.C.P.	23, rue Ibnou Hilal Quartier Racine - Casablanca	II
	M.S.I.N	Imm Zénith, Rés Tawfiq, Sidi Maârouf - Casablanca	II
	Société Générale Marocaine de Banques	55, bd Abdelmoumen - Casablanca	I, II
	Upline Securities	37, Bd Abdelatif Benkaddour - Casablanca	II
	Wafa Bourse	416, rue Mustapha El Maâni - Casablanca	II

PART 2: GLOBAL PRESENTATION OF AFMA

I. GENERAL INFORMATION

Corporate name	AFMA SA
Head office	22 Boulevard Moulay Youssef, Casablanca – Morocco
Telephone number	+212 (0)5 22 42 80 00
Fax number	+212 (0)5 22 42 80 60
Internet website	www.afma.ma
Legal form	Limited Liability Company of Moroccan Law
Company register	Casablanca - 22463
Creation date	1953
Lifetime	99 years
Financial year	From 1 st of January to the 31 st of December
Share capital as of 30/06/2015	10,000,000 MAD divided in 100,000 shares of a par value of 100 MAD each, all of similar category and paid entirely
Share capital as at IPO	10,000,000 MAD divided in 1,000,000 shares of a par value of 10 MAD each, all of similar category and paid entirely
Legal documents consultation	The corporate, accounting and legal documents (required by the law and the company's statutes) may be consulted at the head office of AFMA
Statutes	All statutory provisions mentioned in the Prospectus correspond to the statutes of association, that would enter into force on the first day of the company's listing
Company purpose	In accordance with article 2 of the statutes, the company's purpose is limited to the profession of insurance brokerage in the authorized branches and to the activities that are known to be associated with the insurance broker's profession, in accordance with the regulations that govern this profession
Legal and regulatory applicable texts	<p>Through its legal form, AFMA is governed by Moroccan law and in particular law n°17-95 relating to limited liability companies promulgated by dahir n°1-96-124 of 30 August 1996, as amended and supplemented by law n°20-05 of 23 May 2008, as well as by its statutes.</p> <p>Through its activity, AFMA is subject to the following legal texts :</p> <ul style="list-style-type: none"> ▪ The Insurance Code (law n°17-99) has been amended and supplemented by dahir n°1-06-17 of 15 Moharrem 1427 (14 February 2006) promulgating law n°39-05 ; ▪ Dahir n°1-02-238 of 25 Rajab 1423 (3rd October 2002) promulgating law n°17-99 on the Insurance Code (Official Bulletin n°5054 of 2 Ramadan 1423 (7th November 2002)) ; ▪ Dahir n°1-04-05 of 1st Rabii I 1425 (21st April 2004) promulgating law n°09-03 supplementing law n° 17-99 on the Insurance Code ; ▪ The Decree of the Minister of Economy and Finance n°2173-08 of 9

hijja 1429 (8 December 2008) amending and supplementing the Decree of the Minister of Finance and Privatization n°1548-05 of 6 ramadan 1426 (10 October 2005) relating to insurance and re-insurance companies ;

- The circular of DAPS n°DAPS/IA/15/24 of 16 July 2015 relating to the premiums payment, the claims payment and to the relations between insurance brokers and insurance and re-insurance companies ;
- The Decree of the Minister of Finance and Privatization n° 2241-04 of 27/12/2004 relating to the insurance operations presentation, as amended and supplemented ;
- The decree n°2-04-355 of 19 ramadan 1425 (02/11/2004) ;
- The Decree n°2-58-1151 of 12 jomada 1378 (24 December 1958).

Through its listing on the Casablanca Stock Exchange, AFMA will be subject to the following legal and regulatory provisions relating to the financial markets :

- Dahir promulgating law n°1-93-211 of 21 September 1993 relating to the Casablanca Stock Exchange, as amended and supplemented by laws 34-96, 29-00, 52-01,45-06 and 43-09 ;
- The general regulation of the Casablanca Stock Exchange approved by Decree of the Minister of Economy and Finance n°1268-08 of 7 July 2008 as amended and supplemented by the Decree of the Minister of Economy and Finance n° 30-14 du 06 janvier 2014 ;
- Dahir promulgating law n°1-93-212 of 21 September 1993 relating to the financial Moroccan authority (CDVM) and to the information required of legal entities issuing securities to the public, as amended and supplemented by laws n° 23-01, 36-05 and 44-06 ;
- Dahir n°1-96-246 of 9 January 1997 promulgating law n°35-96 relating to the creation of a central depository and to the establishment of general accounting system for certain securities as amended and supplemented by law n°43-02 ;
- The General Regulation of the central depository approved by Order 932-98 of the Minister of the Economy and Finance, dated April 16, 1998, and amended by Order 1961-01 of the Minister of the Economy, Finance, Privatization and Tourism, dated October 30, 2001 and by Decree n°77-05 dated 17 March, 2005 ;
- The General Regulation of the CDVM as amended and supplemented by Decree of the Minister of Economy and Finance n°822/08 date 14 April, 2008 ;
- Dahir n°1-04-21 of 21 April 2004 promulgating law n°26-03 relating to public offer on the Moroccan Stock Market, as amended and supplemented by law n°46-06 ;
- The Circular of the CDVM.

Competent Court in the event of litigation

Casablanca Commercial Court

Applicable tax regime

- Corporate tax : normal rate of 30%
- At the Initial Public Offering by shares sale, AFMA will be granted a
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corporate tax reduction for the three consecutive years following the initial financial year after the listing date (measure extended until 31 December, 2016 by the General Tax Code Art. 247-XI). The reduction of the Corporate Tax will be of 25%

- Value Added Tax : rate reduced to 14% without the right of deduction.

VAT liquidation mode: the tax due on services provided by agents, direct sellers or brokers upon contracts signed for insurance companies, is withheld on the brokerage commissions and other fees granted by the company owing them to the Tax Office (Art. 116 of the General Tax Code)

II. INFORMATION ABOUT THE SHARE CAPITAL OF AFMA

Name or corporate name of the shareholders	Before Opération		After Opération and Transaction	
	Number of shares at a par value of 100 MAD	% of capital and voting rights	Number of shares at a par value of 10 MAD	% of capital and voting rights
FARID BENSÂÏD	35	0,04%	350	0,04%
GROUPE TÉNOR	99 965	99,97%	549 650	54,97%
TÉNOR FINANCES	67 937	67,94%	433 360	43,34%
TÉNOR GROUP	10 027	10,03%	55 270	5,53%
CAPITAL UNION	2 000	2,00%	11 000	1,10%
TÉNOR MANAGEMENT	1	0,001%	10	0,001%
TÉNOR INTERNATIONAL	20 000	20,00%	50 010	5,00%
INSTITUTIONAL INVESTORS			200 000	20,00%
CIMR			100 000	10,00%
FIPAR-HOLDING			100 000	10,00%
FLOATING STOCK			250 000	25,00%
EMPLOYEES PART			8 087	0,81%
Total	100 000	100,00%	1 000 000³	100,00%

³ Reduction of the nominal value of each share composing the capital of AFMA from 100 MAD to 10 MAD concomitantly to the listing of AFMA shares in the Casablanca Stock Exchange

III. BOARD OF DIRECTORS

The composition of the company's Board of Directors upon realization of the present Operation is as outlined below:

Members of the Board	Function	Appointment / Term Renewal date	Term end date	Links with AFMA
Farid BENSÄÏD	Chairman of the Board of Directors			Chief Executive Officer / Shareholder
CAPITAL UNION SARL represented by Thami ABDERRAHMANI-GHORFI	Administrator	OGM dated 30/06/2011	OGM to approve financial account for fiscal year 2016	Shareholder
TENOR FINANCES LLC represented by Lotfi KOSSEMTINI	Administrator			Shareholder
TENOR GROUP LLC represented by Yassine MATJINOUCHE	Administrator			Shareholder

Source : AFMA

The composition of the Board of Directors will be modified by the integration of CIMR and Fipar-Holding into the company's capital. Indeed, 2 seats will be allocated to them. AFMA's Board of Directors will meet to this end after the company's Initial Public Offering to enact this change.

IV. TOP MANAGEMENT

The list of the top management of AFMA is outlined below:

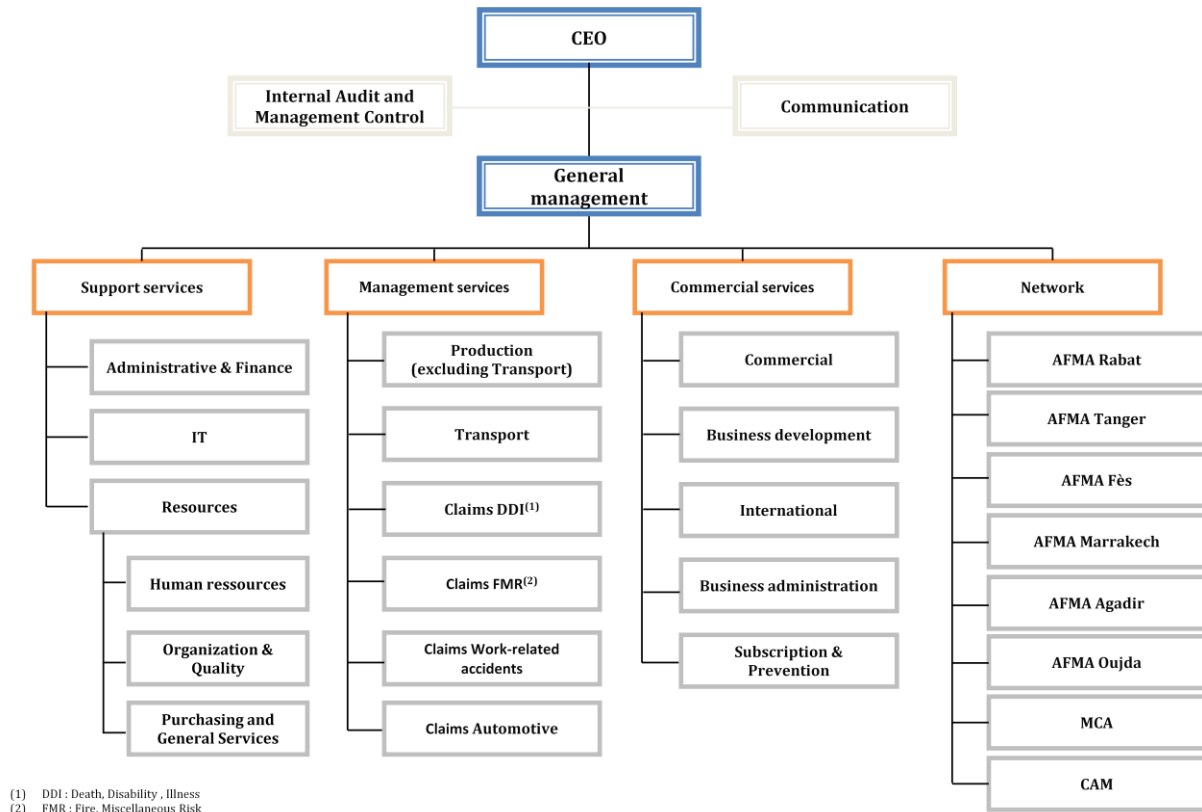
Main Leaders	Function	Date of adhesion to AFMA	Appointment date
Farid BENSÄÏD	Chief Executive Officer	August 2005	August 2005
Abdelwahab NOUGAOUI	Deputy General Manager (DGD)	January 2006	November 2012
Mouhcine DRISSI TOUZANI WALALI	Deputy General Manager (DGA) - Sales Division	September 2007	February 2014
Abdelmajid ECHEMLI	Deputy General Manager (DGA) - Sales Division - Large Enterprise	December 1998	February 2014
Khadija CHELAIFA	Deputy General Manager (DGA) - Business Development	March 2004	February 2014

Source : AFMA

Mr Abdelwahab Nougaooui and Mr Mouhcine Drissi Touzani Walali are respectively the representatives responsible of AFMA Oujda and AFMA Agadir.

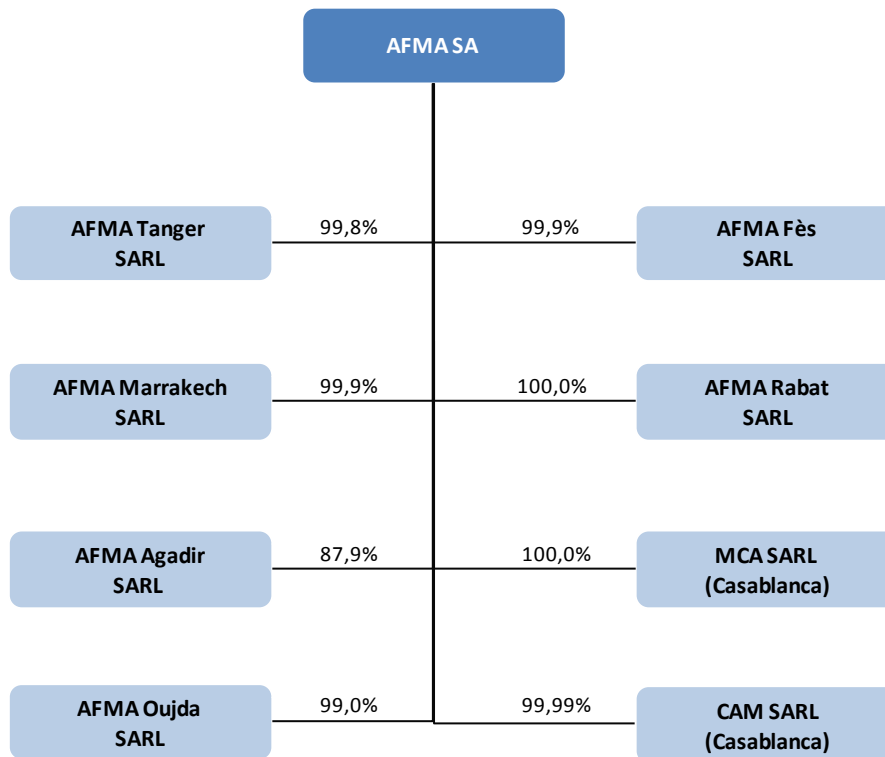
V. FUNCTIONAL ORGANIZATIONAL STRUCTURE OF AFMA

Before the realization of the present Operation, the functional organizational structure of AFMA stands as outlined below:



VI. AFMA SUBSIDIARIES

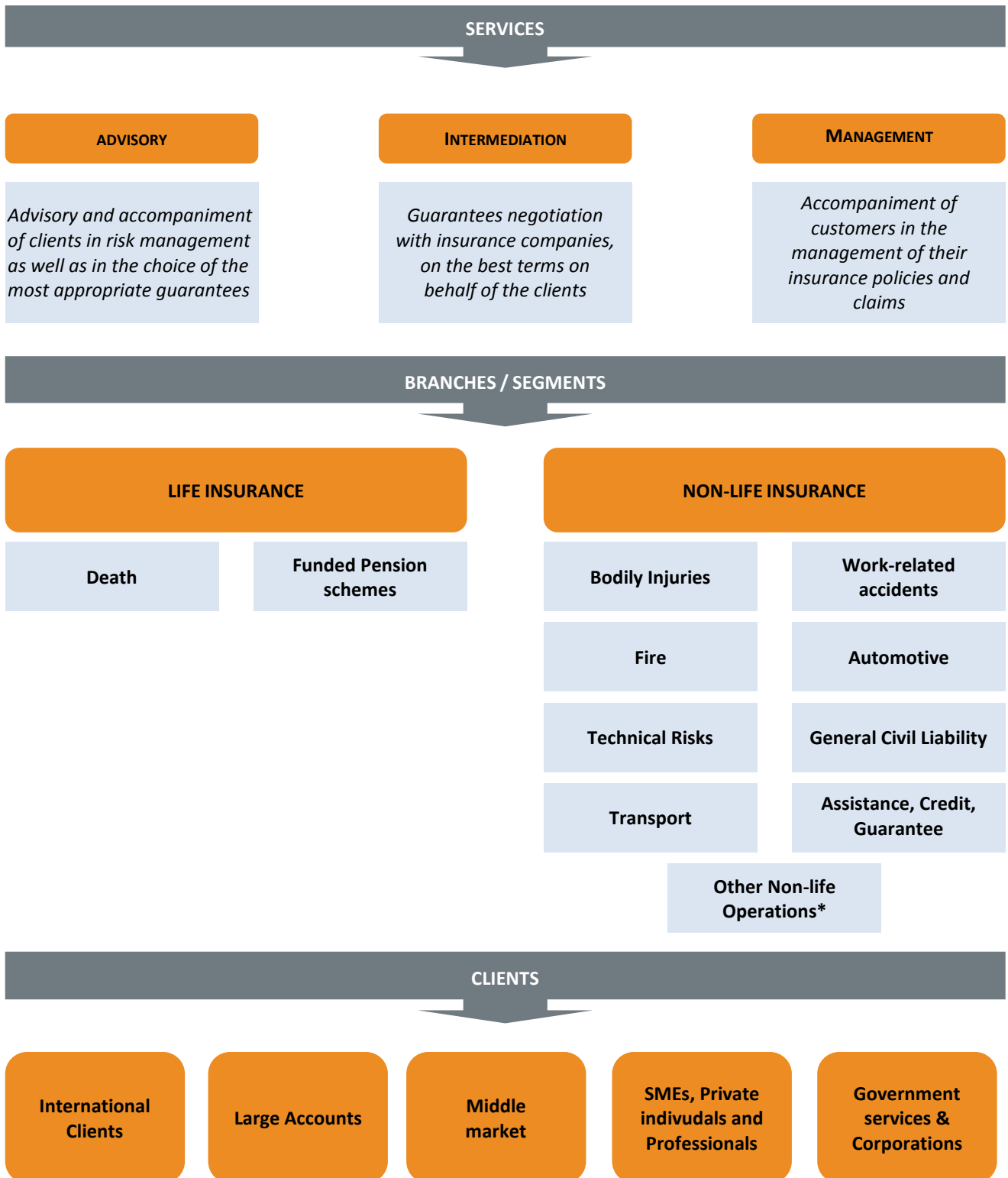
The graph below outlines the subsidiaries of AFMA prior to the present Operation:



VII. ACTIVITY OF AFMA

1. GENERAL PRESENTATION OF THE ACTIVITY OF AFMA

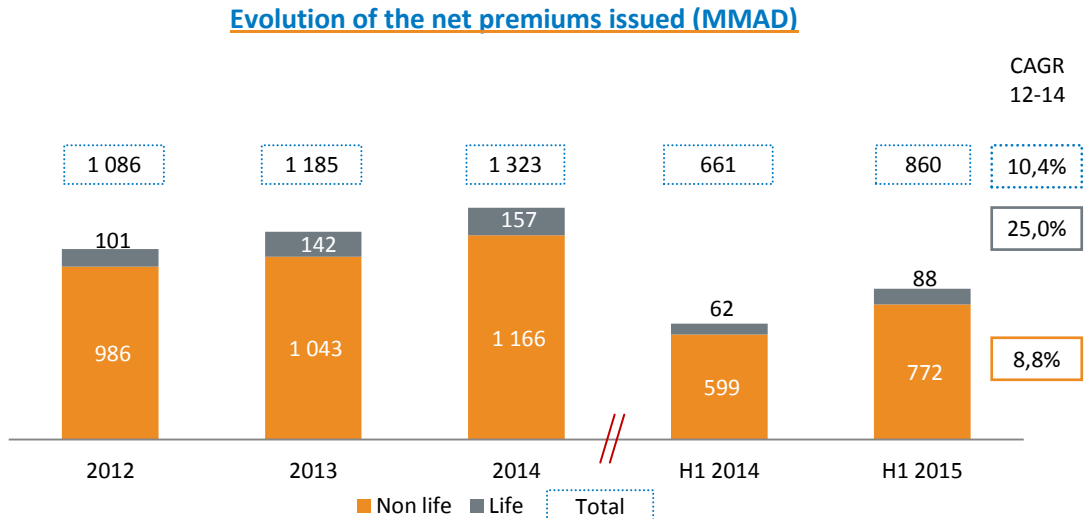
AFMA offers a comprehensive services portfolio covering the whole client segments:



* Other non-life operations : glass breakage and theft
Source : AFMA

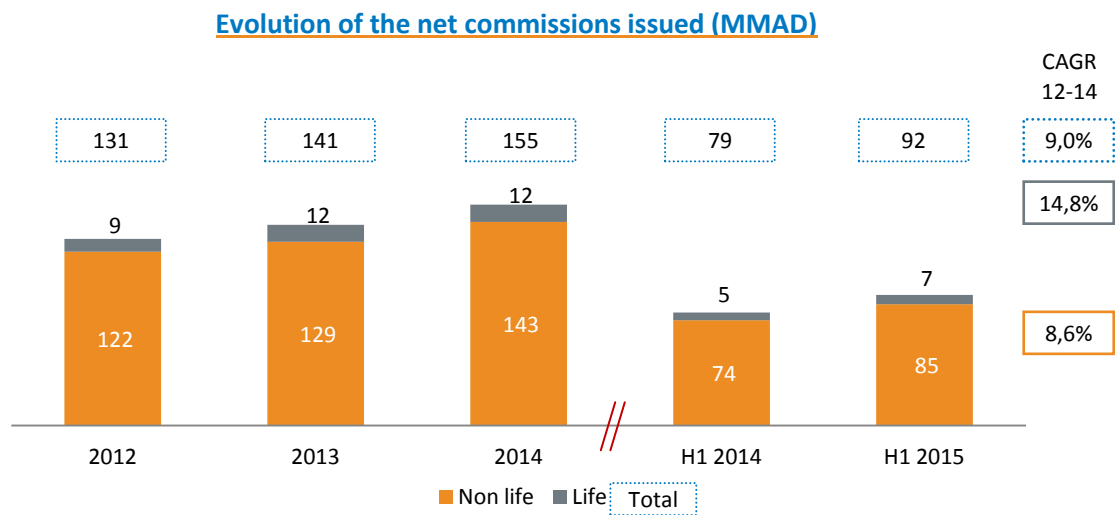
2. KEY FIGURES

The net premiums issued by AFMA Group over the period 2012-2014 and on 30th of June 2014 (H1 2014) and on 30th of June 2015 (H1 2015) are as follows:



Source : AFMA

The net commissions issued by AFMA Group over the period 2012-2014 and on 30 June 2014 and on 30 June 2015 are as follows:



Source : AFMA

PART 3: FINANCIAL CONSOLIDATED DATA OF AFMA

I. CONSOLIDATED INCOME STATEMENT

In MAD '000	2012	2013	2014	H1 2014	H1 2015	VAR 13/12	VAR 14/13	CAGR 12-14	VAR H1 15/14
Turnover (TO)	136 614	146 538	159 999	82 186	94 713	7,3%	9,2%	8,2%	15,2%
Other income	281	561	2 622	800	483	99,6%	>100%	>100%	-39,6%
Ordinary activities income	136 895	147 098	162 621	82 986	95 197	7,5%	10,6%	9,0%	14,7%
Purchases consumed	-34 873	-35 088	-37 579	-19 101	-21 293	0,6%	7,1%	3,8%	11,5%
Personnel expenses	-36 680	-37 703	-41 713	-20 409	-23 133	2,8%	10,6%	6,6%	13,3%
Taxes and levies	-1 983	-1 229	-1 537	-495	-850	-38,0%	25,1%	-12,0%	71,7%
amortization, depreciation and provision allowances net	-10 824	-5 149	636	-2 951	-3 449	-52,4%	>-100%	na	16,9%
Ordinary Activities expenses	-84 361	-79 169	-80 193	-42 955	-48 725	-6,2%	1,3%	-2,5%	13,4%
Current Operating result (COR)	52 534	67 930	82 428	40 031	46 471	29,3%	21,3%	25,3%	16,1%
<i>Cuurent operating margin (COR/TO)</i>	<i>38,5%</i>	<i>46,4%</i>	<i>51,5%</i>	<i>48,7%</i>	<i>49,1%</i>	<i>7,9 points</i>	<i>5,1 points</i>	<i>-</i>	<i>0,4 point</i>
Asset sales	-448	59	-519	-	-4	>100%	>-100%	7,6%	n.a
Other non-current operating income and expenses	287	-705	-5 952	-542	-626	>-100%	>-100%	n.a	15,5%
Operating result (OR)	52 373	67 284	75 956	39 489	45 841	28,5%	12,9%	20,4%	16,1%
<i>Operating margin (OR/TO)</i>	<i>38,3%</i>	<i>45,9%</i>	<i>47,5%</i>	<i>48,0%</i>	<i>48,4%</i>	<i>7,6 points</i>	<i>1,6 point</i>	<i>-</i>	<i>0,4 point</i>
Net borrowing cost	-211	-276	299	40	581	30,8%	>-100%	n.a	>100%
Other financial income	119	360	264	148	333	>100%	-26,7%	48,9%	>100%
Other financial expenses	-327	-2	-12	-3	-10	-99,4%	>100%	-80,8%	>100%
Financial result	-419	83	551	185	905	>100%	>100%	n.a	>100%
Pre-tax income of consolidated companies	51 954	67 366	76 507	39 674	46 745	29,7%	13,6%	21,4%	17,8%
Corporate taxes	-17 110	-20 839	-22 850	-12 650	-14 725	21,8%	9,7%	15,6%	16,4%
Differed taxes	486	132	-62	118	200	-72,8%	>-100%	n.a	69,5%
Net income of consolidated companies (NI)	35 330	46 659	53 596	27 142	32 221	32,1%	14,9%	23,2%	18,7%
<i>Net margin (NI /TO)</i>	<i>25,9%</i>	<i>31,8%</i>	<i>33,5%</i>	<i>33,0%</i>	<i>34,0%</i>	<i>5,9 points</i>	<i>1,7 point</i>	<i>-</i>	<i>1,0 point</i>
Minority interests	-469	-451	-523	-471	-214	-3,8%	16,0%	5,6%	-54,6%
Net income Group share	34 860	46 208	53 073	26 671	32 007	32,6%	14,9%	23,4%	20,0%

Source : AFMA

II. CONSOLIDATED BALANCE SHEET

In MAD '000	2012	2013	2014	H1 2015	VAR 13/12	VAR 14/13	CAGR 12-14	VAR H1 15/14
NON CURRENT ASSETS	60 225	61 367	70 634	75 339	1,9%	15,1%	8,3%	6,7%
Goodwill	34 817	34 817	34 817	50 290	0,0%	0,0%	0,0%	44,4%
Intangible assets	264	235	179	525	-11,0%	-23,8%	-17,7%	>100%
Tangible assets	24 164	25 310	24 725	23 406	4,7%	-2,3%	1,2%	-5,3%
Other financial assets	309	208	10 262	272	-32,7%	>100%	>100%	-97,3%
Deferred taxes assets	670	796	650	846	18,8%	-18,3%	-1,5%	30,2%
CURRENT ASSETS	266 071	408 213	407 266	750 961	53,4%	-0,2%	23,7%	84,4%
Accounts receivable – net	215 689	338 864	331 030	596 517	57,1%	-2,3%	23,9%	80,2%
Other current receivables – net	33 442	57 756	69 373	96 699	72,7%	20,1%	44,0%	39,4%
Cash and cash equivalent	16 939	11 593	6 863	57 745	-31,6%	-40,8%	-36,3%	>100%
TOTAL ASSETS	326 296	469 580	477 899	826 300	43,9%	1,8%	21,0%	72,9%

In MAD '000	2012	2013	2014	H1 2015	VAR 13/12	VAR 14/13	CAGR 12-14	VAR H1 15/14
TOTAL SHAREHOLDERS' EQUITY	44 442	55 009	61 768	41 711	23,8%	12,3%	17,9%	-32,5%
Shareholders' equity – Group share	43 507	54 115	60 788	41 130	24,4%	12,3%	18,2%	-32,3%
<i>Equity</i>	10 000	10 000	10 000	10 000	0,0%	0,0%	0,0%	0,0%
<i>Reserves</i>	- 1 354	- 2 093	- 2 285	- 877	-54,6%	-9,2%	29,9%	61,6%
<i>Income</i>	34 860	46 208	53 073	32 007	32,6%	14,9%	23,4%	-39,7%
Minority interests	936	894	980	581	-4,5%	9,6%	2,3%	-40,7%
<i>Minority reserves</i>	466	443	457	367	-4,9%	3,2%	-1,0%	-19,7%
<i>Minority income</i>	469	451	523	214	-3,8%	16,0%	5,6%	-59,1%
NON CURRENT LIABILITIES	7 201	5 565	8 635	8 631	-22,7%	55,2%	9,5%	0,0%
Non-current financial debts	6 496	4 866	8 021	8 021	-25,1%	64,8%	11,1%	0,0%
<i>Fixed assets liabilities (financial leases)</i>	6 496	4 866	3 521	3 521	-25,1%	-27,6%	-26,4%	0,0%
<i>Borrowings and other financial liabilities</i>	-	-	4 500	4 500	n.a	n.a	n.a	0,0%
Deferred taxes liabilities	705	698	614	610	-1,0%	-12,0%	-6,7%	-0,7%
CURRENT LIABILITIES	274 653	409 006	407 497	775 958	48,9%	-0,4%	21,8%	90,4%
Current provisions	7 726	7 457	263	263	-3,5%	-96,5%	-81,5%	0,0%
Current financial debts	18 782	17 678	13 759	5 196	-5,9%	-22,2%	-14,4%	-62,2%
<i>Fixed assets liabilities (financial leases)</i>	1 729	1 630	1 267	671	-5,7%	-22,3%	-14,4%	-47,0%
<i>Current banking facilities</i>	17 054	16 048	12 492	4 525	-5,9%	-22,2%	-14,4%	-63,8%
Accounts payable	211 417	331 930	344 546	623 359	57,0%	3,8%	27,7%	80,9%
Other current liabilities	36 728	51 942	48 928	147 141	41,4%	-5,8%	15,4%	200,7%
TOTAL LIABILITIES	326 296	469 580	477 899	826 300	43,9%	1,8%	21,0%	72,9%

PART 4: RISK FACTORS

As for the various insurance brokers, AFMA is exposed to the usual risks of the industry segment. The main risks identified by the management of AFMA are enumerated below:

I. OPERATIONAL RISK ASSOCIATED WITH THE INSURANCE BROKERAGE ACTIVITY

In the context of the performance of its activity, AFMA is liable in the event of errors or omissions while processing clients' requests. However, this risk is covered by a Professional Civil Liability insurance.

II. RISK ASSOCIATED WITH THE RISE IN THE NUMBER OF INTERMEDIARIES

AFMA is marginally exposed to the risk of increase in the number of intermediaries, upon new licenses grants to agents and brokers. Indeed, these operate mainly on the Private individuals, SME and professionals segment that only account for 3% of the net commissions issued by the Group in 2014.

III. COMPETITION RISK

The insurance brokerage market is very fragmented and comprised of - except the first 3 industry brokers and a few mid-sized brokers - independent brokers of modest size.

The risk for AFMA is to see new players integrate the industry segment and the strengthening of the existing players' market shares.

However, this risk is mitigated for AFMA thanks to:

- its size and its leadership position, which provide the Group with a significant bargaining power vis-à-vis insurance companies ;
- its sharp industry expertise ;
- a performing IT system ;
- its clients proximity (regional presence and 24H customer service) ;
- the weight of the BtoB segment in its client portfolio (the new brokers operate mainly on the SME, Private individuals and Professionals segment).

IV. RISK ASSOCIATED WITH THE MODIFICATION OF THE REGULATORY FRAMEWORK

The current regulatory framework is likely to see both its subscription and its insurance policy management terms and conditions evolve.

The main risks identified by AFMA are as follows:

- extension of the banks licenses to other risks ;
- development of e-commerce for insurance companies ;
- evolution of the regulation as regards the capital of brokers: the regulation that currently protects a broker's majority take-over by a foreign company (except Free-Trade Agreement) might evolve and open the segment to even stronger foreign competition.

V. RISK ASSOCIATED WITH BANK-INSURANCE

The insurance contracts sold through the banking networks concern essentially the Life insurance and are mainly destined to Private individuals and SMEs. This category though represents less than 3% of the Group's clients portfolio. Therefore, the bank-insurance development should have no significant impact neither on the future performance nor on the profitability of AFMA.

VI. RISK ASSOCIATED WITH CLIENTS OR PARTNERS LOST

Like for any insurance broker, AFMA is exposed to the risk of losing a client or a partner. For AFMA, this becomes likely in the event of concentration operations within an industry segment (potential loss by AFMA of a client if the latter client is acquired by another player, who also happens to be insured by a competitor). The same applies in the case of partnering or global strategic changes at partners of AFMA.

VII. RISK OF DEPENDENCY TOWARDS AN INSURANCE COMPANY

The right split of AFMA Group's turnover among the various insurance companies enables it to be independent towards one particular insurance company, therefore allowing it to preserve its clients' interests.

VIII. COUNTERPARTY RISK

Considering the premium collection rate of more than 95% on average over the last 3 years, the counterparty risk is very limited at AFMA.

IX. OPERATIONAL RISK

The operational risk is defined as the risk of loss resulting from a mismatch or a failure attributable to procedures, human means, internal systems or external events, likely to impact the company's smooth activities execution.

The company collaborators comply with a conduct guidelines, thus formalizing the company's commitment in terms of integrity and compliance with applicable legal regulations, and defining the ethical rules and the best behavioral practices required of its collaborators for all business activities in Morocco. Furthermore, AFMA has implemented a Professional Civil Liability insurance to cover this risk.

X. RISK ASSOCIATED WITH KEY PERSONNEL

AFMA's performance, due to the nature of its business, depends on its management team, which is composed of some key personnel members. These key personnel members have a deep expertise of the insurance sector in Morocco, in general, and that of insurance brokerage, in particular, and have a large network of business relationships, which are a key asset to AFMA.

AFMA faces the risk of losing these key personnel members with a Human Resources policy implemented by the company and which enables it to (i) reinforce loyalty for these Key personnel members and to (ii) train and prepare new generations to ensure succession.

Besides, Mr. Farid Bensaïd, in the context of the Shareholders' Agreement signed with Fipar-Holding and CIMR, committed to take over the role of CEO during a minimum term of 3 years, and to prepare and ensure its succession in the event he would not be willing to pursue in this role beyond the agreed upon timeframe.

DISCLAIMER

The aforementioned information is only a part of the information prospectus approved by the CDVM under reference n° VI/EM/031/2015 on November 16th, 2015.

The CDVM recommends reading the full prospectus available to the public in French.